

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re

Chapter 11

CSI INCORPORATED, *et al.*,

Case Nos. 01-12923 (REG)
01-12926 (REG)

Debtors.

(Jointly Administered)

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**ORDER AUTHORIZING THE (I) RETENTION OF A
DISTRIBUTION AGENT, (II) DISTRIBUTION OF ASSETS, AND
(III) STRUCTURED DISMISSAL OF THE CASE PURSUANT TO 11 U.S.C. § 305(A)(1)**

Upon the joint motion of CSI Incorporated, *et al.* (the “Debtors”), and the Official Committee of Unsecured Creditors (collectively, the “Movants”), for an order authorizing, *inter alia*, the (i) retention of a distribution agent, (ii) distribution of assets, and (ii) structured dismissal of the above-captioned Chapter 11 Case (the “Motion”); and no objections having been filed thereto; and a hearing on the Motion having been held on July 12, 2006; and at the hearing, the Movants having demonstrated that they are unable to satisfy the requirements of 11 U.S.C. § 1129 and thus cannot confirm a plan of reorganization or liquidation; and this Court having determined that the granting of the relief requested in the Motion is in the best interests of the Debtors, their estates and creditors; and notice of the Motion being good and sufficient and no further notice being required; and all objections having been withdrawn; and after due deliberation and cause appearing therefore; it is hereby

ORDERED, that the Motion is GRANTED; it is further

ORDERED, that Wells Fargo Bank, N.A. is appointed Distribution Agent for the Debtors’ estates upon the terms of the Agreement attached to the Motion; and it is further

ORDERED, that the Movants and the Distribution Agent are hereby authorized to take all necessary actions to effectuate the Distribution (as defined in the Motion); and it is further

ORDERED, that the creditors holding the unsecured claims listed on Exhibit A hereto are entitled to receive a pro rata payment of the Distribution; and it is further

ORDERED, that the debtors will pay all United States Trustee quarterly fees due and owing as of the dismissal date within 10 days after dismissal. The professionals have agreed to receive payment for professional fees only when United States Trustee quarterly fees have been reconciled and paid; and it is further

ORDERED, that this Chapter 11 Case is hereby dismissed pursuant to 11 U.S.C. 305 § (A)(1).

Dated: New York, New York
July 24, 2006

S/ Robert E. Gerber

UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Claimant	Claim No.	Amount of Allowed Claim
Canada Customs & Revenue Agency	1(a)	\$3,221.82
Public Service of Oklahoma	1	\$2,085.76
MCSI	3	\$934.59
/N Software	4	\$3,746.90
Barrett Psareas	5	\$2,062.00
Jeff Dawes	6	\$232.24
American Waste Control Inc.	7	\$45.00
IRS	9	\$235.67
Team Air Express	10	\$19,025.28
Paul Dozier	11	\$2,487.14
Paul Dozier	12	\$195.83
Mediatropolis	13	\$3,369.00
Women's Sports Foundation	14	\$200.00
Glenn Blanchard	16	\$336.27
Glenn Blanchard	17	\$3,749.86
AMC Computer Corp.	18	\$62,256.48
Megabye (Kevin Ku)	19	\$36,584.49
Dixon Sports	20	\$40,804.00
Java Dave's	22	\$186.97
Nextira	24	\$89,843.69
Barry Goldberg	25	\$4,800.00
Southwestern Bell	26	\$22,100.95
Ken Gordon	29	\$1,500.00
Manhattan Mini Storage	30	\$992.00
Ken Gordon	31	\$154.02
NYS Dept of Taxation and Finance	35	\$200.00 – Agreed Allowed Administrative Expense Claim
Mary Frost	36	\$511.09
Mary Frost	37	\$6,089.74
Errol Ansalone	38	\$1,320.00
Lightyear Communications	39	\$1,463.51
Cyntergy LLC	44	\$192,012.79
Raymond Cross	46	\$332.48
Raymond Cross	47	\$3,730.77
Corey Sohmer	49	\$2,115.38
David Levine	50	\$4,384.62
Doug Roedel	51	\$2,293.98
John Simms	56	\$673.00
Head, Johnson & Kachigian	57	\$16,240.87
Stats Inc	61	\$88,750.00
Comark Corp. Sales, Inc.	63	\$6,472.43
Compuware	64	\$609.45
Massachusetts Dept of Revenue	74	\$4,938.00 - Agreed Allowed Priority Claim